

Comcast is teaming up with Nokia to sell private 5G networks to big business, government

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Comcast has partnered with Nokia to sell businesses private 5G networks, the new high-speed wireless internet that could power ports,

factories, and other large enterprises.

The cable giant's [business services](#) unit, Comcast Business, will deploy its first private 5G network at the Wells Fargo Center during the first quarter this year, company officials said. Comcast's foray into 5G comes as it works to sign up more large customers, from national restaurant chains to federal government agencies. Many of the world's largest businesses are expected to use 5G, which has faster speeds, better reliability, and the capacity to connect thousands of more devices than previous wireless networks.

The non-exclusive partnership will allow Comcast Business to use Nokia's wireless technology. Financial terms were not disclosed.

The Wells Fargo Center, which is owned by Comcast, will showcase 5G by using it to better live stream video on its giant scoreboard, so there's virtually no delay between what happens on the ice and what's shown on video screens. The wireless network will also allow the arena to provide fans with real-time information about parking lot flow and traffic when they leave the venue.

"We're going to camera-up Gritty," said Bob Victor, senior vice president of product at Comcast Business. "As Gritty wanders around the stadium, in real time, he'll be able to project what he's seeing."

5G, or fifth generation, wireless networks are expected to foster a wave of innovation. In addition to faster speeds, 5G networks can connect up to a million devices per square kilometer, compared to a maximum of about 100,000 on 4G, according to Deloitte. 5G networks also have lower latency, meaning applications can react in a thousandth of a second.

Most consumers won't see the benefits right away. Wireless providers

are still rolling out their nationwide networks for smartphones, and some of the most highly-anticipated uses for 5G, such as autonomous vehicles, are years away from being available for consumers.

But warehouses and factories already have reasons to use 5G, industry experts said. More than 100 companies worldwide were expected to test private 5G deployments in 2020, according to research from Deloitte.

Industrial facilities often have hundreds if not thousands of sensors, cameras, or robots that rely on internet connections. To ensure the fastest-reaction times, companies often connect devices directly to physical cables. With 5G, companies can reliably connect their machines wirelessly, potentially taking miles of wires off of factory floors.

"In a way, it's your Wi-Fi network at home on steroids," said Roger Entner, a telecommunications expert and founder of the industry research firm Recon Analytics.

Comcast Business, launched in 2006, initially focused on [small businesses](#), selling TV, internet, and [phone service](#) to "Main Street" restaurants and retail shops, said Bill Stemper, president of Comcast Business. Over the last decade, the company's revenues have increased 546%, from nearly \$1.3 billion in 2010 to almost \$8.2 billion in 2020, when Comcast had \$103.6 billion in total revenue. Comcast Business has the highest profit margin out of any segment within Comcast, CEO Brian Roberts said in September.

"Business services has been a small part of the Comcast cable empire but fairly high-growth," said Bloomberg industry analyst Geetha Ranganathan. "We think it can potentially grow to around \$13 to \$14 billion [in annual revenue] over the next five years."

Small [business](#) customers have led that growth, but the company has

smaller shares of the mid-size and enterprise markets, company officials have said. Comcast wants to sign up more large clients, some of which pay millions of dollars per month for services, Stemper said.

Comcast has made a strong push into quick serve restaurants, now counting 11 of the 15 biggest chains by sales as customers, including Dunkin' and Taco Bell, Stemper said. Federal agencies have been a focus, too. In August, Comcast won its fifth multimillion contract from the Defense Information Systems Agency to replace legacy circuits across the country. The Postal Service is also a customer.

"This is a highly competitive area. The telcos hold on very, very strong. But it's an area of opportunity and growth," Stemper said. "We really like our early returns."

In October, Comcast bought Masergy, a Texas-based software networking services firm, for an undisclosed amount. That deal will help Comcast serve U.S.-based enterprises that have operations around the globe, Stemper said. Asked if Comcast Business could make additional acquisitions, Stemper said the company always looks for potential deals "but frankly, they're few and far between."

The pandemic provided a boost to Comcast's home internet business but had the opposite effect on business services, slowing revenue growth as companies shut down in early 2020. Those headwinds are mostly behind now, Stemper said. And the pandemic has accelerated trends, such as online shopping and remote work, that make its services more important.

"As much as we wish we did not have COVID and we would like it to go away, that put in place some unique forces that have only powered more growth for us," Stemper said.

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